

“comprehensiveness of reference” which relates back to the “comprehensively referencing” of a prior element, and which clearly distinguishes “comprehensively referencing” from “in-depth analysis.”

### REMARKS

Applicant addresses a problem: inadequate internet directory systems. See spec [0003-0015]. Applicant addresses specifically a lack of hundreds of lower-level directories, each addressing a category at a manageable level, the directories (A) being easily locatable and recognizable; (B) exhibiting a basic uniformity in organization of their content; (C) exhibiting a minimum comprehensiveness in level of their content for their category; and (D) exhibiting a minimal up-to-dateness in the provision of relevant viable websites. See Spec [0013-0015]. The existence of at least hundreds of such lower-level directories reflects the comprehensiveness of the system as a whole.

Applicant teaches a solution to the above problem, the solution including a system for incentivizing the creation of such hundreds (or thousands) of lower-level directories with features A-D above. The invention relates to an Internet Directory System comprised of at least hundreds of such lower-level directories, which system creates profitable Internet related businesses and generates, for such lower-level website directories as well as for an upper-level Internet Service Provider, a stable revenue stream and in addition, increases website visibility.

Applicant teaches a system and structure to enable the above solution, to incentivize the above solution.

The solution is enabled by creating at least one upper-level directory (referred to as directory provider or DP) and by financially incentivizing the formation of at least hundreds of lower-level directories, organized into a System, having certain structure. The upper-level directory System is incentivized to cause the creation of hundreds of lower-level directories because the lower-level directories remit value to the upper-level directory. See dependent claim 43 and spec [0064]. The hundreds of lower-level directories are incentivized to exist because the System and/or the upper-level directory provides: (I) an upper-level organization such that, notwithstanding the existence of hundreds, or even thousands, of lower-level directories, a proper lower-level directory can be easily located and recognized; (II) a common licensed Service Mark for the lower-level directories to all display, providing a further means for the lower-level directories to be readily located and recognized by users as belonging to the System, as well as providing for the sharing among lower-level directories of a synergistically enhanced, system-wide goodwill deriving from all of the common licensees and the System itself; and

(III) a business model imposed on all of the hundreds of lower-level directories, with requirements for minimal uniformity in organization for the lower-level directories, uniformity in comprehensiveness in referencing for the lower-level directories and uniformity in up-to-dateness of the coverage, which uniform requirements enhance the shared goodwill of the System. The upper-level directory also provides an upper-level organization of upper-level fields and categories that segues into the categories of the lower-level directories, enhancing user friendliness. The upper-level category organization and the operating standards by which the lower-level directories abide, including standards of organization, comprehensiveness and up-to-dateness, together with a common licensed service mark, generate enhanced recognition, goodwill and high traffic to the lower-level directories, resulting in enhanced visibility for the referenced websites. The lower-level directories can enhance profits from both features.

**Key Differences Between the Invention (of Claims 1 and 22) and the Prior Art**

**References Yahoo, PriceWatch and Lee**

**Difference I: Hundreds of Lower-Level Directories Organized Into the System**

Applicant respectfully traverses the statement, page 4 of the above referenced Action:

It would have been obvious to one having ordinary skill in the art at the time of the invention was made to expand the plurality shown in Yahoo to include hundreds or thousands, since it has been held that the mere duplication of the essential working parts of a device involves only routine skill in the art (*St. Regis Paper Co. v. Bernis Co.*, 193 USPQ 8)).

The difference between the existence of a plurality, on the one hand, and of hundreds (or thousands), on the other hand, of lower-level directories, in the instant case, is significant. The difference between the existence of hundreds and a plurality significantly affects the level of comprehensiveness of the upper-level directory, which in turn affects the value of the System to the user, the value of the goodwill, and the value of the common licensed Service Mark. The comprehensiveness of the upper-level directory affects the level of traffic for the lower-level directories and thus the degree of profitability of the lower-level directories. This in turn affects the amount that the lower-level directories can afford to remit to the upper-level directory. The level of comprehensiveness of the upper-level directory affects ultimate website visibility and the profitability and stable income of the lower-level directories.

Expanding “the plurality shown in Yahoo” to include “hundreds or thousands,” in the instant case, involves more than “routine skill in the art.” Expanding the plurality to hundreds or thousands requires high motivation, inspired by the vision of the synergistic result. The Examiner does not evidence any existence of such motivation or vision in the prior art or as routinely existing in the art.

The specification specifically teaches that “the duplication of parts” in the instant case (e.g. going from a plurality to hundreds of lower-level directories) requires proper incentivization. See specification paragraph [0023, 0028-0043]. The proper means for incentivization, a means that works for its intended purpose, a proper structure and set of relationships, is part of the instant invention. There is no evidence or showing that providing such incentivization or such means for incentivization to create hundreds or thousands of lower-level directories united in a system with certain minimal structure, certainly a significant task or feat, is enabled by the prior art or is within the routine skill of one in the art.

Reference Lee is also instructive on this point. Reference Lee teaches the necessity to study each domain of e-commerce in order to determine proper design features. See Lee pages 128-129. Lee warns that knowing “what to duplicate” (and what not) in regard to an e-commerce “domain” is not within the “routine skill of one in the art.” Design features for one domain may not carry over to another domain of e-commerce. See Lee page 128 lines 1-9 and line 27 to page 129 line 4. Study is required for each domain.

Further, the “duplication of parts” in the instant case requires the duplication of hundreds of lower-level directories 1) accepting the imposition of a common business model (including standards of operation for uniform organization, comprehensiveness and up-to-dateness,) and 2) displaying a common Service Mark. The Examiner has not pointed to even a “plurality” of such specialized lower-level directories.

#### **Difference II –Lower-Level Directories Displaying a Common Licensed Service Mark**

Hundreds of lower-level directories displaying a common licensed service mark identifies them as all originating in or with a unique (internet directory system) source. By contrast, the “buy-online” URL of Pricewatch is not taught as displayed by any other than Pricewatch. E.g. the “buy-online” URL is not displayed by PriceWatch’s advertisers; its display is unique to PriceWatch. Further, the “buy-online” URL is functional; it is not used as a “mark;” it is generic or highly descriptive. As such it is incapable, legally, of serving as a “Service Mark” and as functioning as a unique source indicator.

Applicant identified a problem of the prior art, the inability to readily identify lower-level directories, all offering comparable quality services and participating in a valuable internet directory system. Applicant teaches that displaying a common licensed service mark by the lower-level directories is a significant part of solving the above problem. Also, the common licensed service mark enables lower-level directories to share in enhanced synergistic goodwill, inherent in the nature of licensed shared service marks, thereby increasing the traffic of the System, increasing website visibility and increasing revenue. Such teaching is not found in the references.

### **Difference III – Content of a Business Model**

The content of the instant business model is clarified to include uniform organization with respect to the presentation of the lower-level directory, uniform comprehensiveness of reference with respect to the presentation of the lower-level directory, and uniform up-to-dateness with respect to the presentation of the lower-level directory.

In contrast, reference Lee proposes design goals for “stock trading websites” based on studies. Lee teaches that knowledge of proper design goals for any e-commerce website is not inherently within the knowledge of a person of ordinary skill in the art but must be developed with study of the instant e-commerce domain. See Lee pages 128-129. Lee teaches against proposing design goals without study of the particular type of e-commerce involved, of the particular “domain” of e-commerce. Lee teaches against transferring design goals developed for one type or domain of e-commerce to another type or domain of e-commerce. See Lee pages 128-129.

In this regard, lower-level directories are not in the same domain as Lee’s “stock trading websites.” One third of Lee’s six design factors, e.g. “order taking” and “security”, are nonapplicable to the domain of “lower-level directories.” Key characteristics of the domain of stock trading websites are that they provide a marketplace for selling, and for selling a sophisticated, federally regulated product, to sophisticated users. The stock trading sites attract a limited, repeat, sophisticated clientele and make a profit off of a decision to buy or sell product. Security issues and the responsibility of the provider are key factors. In the domain of lower-level directories, by contrast, such websites offer a locating and referral service. They make a profit off of a high traffic from a wide variety of generally unsophisticated users. The service itself is free. The profit comes from advertisers and services offered to referees. There is no significant security or responsibility issue. The domains of lower-level directories and stock trading sites, thus, are sufficiently disparate. Knowledge of the proper design goals for lower-level directories would have to be independently developed with study of the lower-level directory domain. Applicant has demonstrated such study. Design goals for “stock trading websites” do not transfer as a matter of course.

Further, reference Lee teaches no enablement for his “design goals.” Lee teaches no structure and relationships to achieve his design goals. The only “enablement” Lee offers is “publication” of his “study.” Lee teaches no interrelationship of entities, no imposed business model and common service mark, no resulting financial incentives at upper and lower-levels, no synergistically enhanced goodwill, traffic and visibility.

Reference Lee does not teach uniform comprehensiveness of reference or uniform organization. “In depth analysis” is not the same as “comprehensiveness of reference.” “Comprehensiveness of reference refers to “breadth” as opposed to “depth.”

In summary, Lee proposes design goals for “stock trading sites.” As Lee teaches, these goals are not per se applicable to the domain of directories. Lee does not offer proposed structure or relationships for achieving his goals. Lee does not “enable” a system, even for “stock trading sites.” In particular, Lee does not teach the imposition of a business model on the stock trading sites, or any means of enablement that would work for its intended purpose of bringing a viable system into existence.

#### **Select Dependant Claims – Further Differences**

Dependant claims 3 and 5 relate to further standards of operation in the business model imposed on the lower-level directories. Dependant claim 3 relates to professional management and dependant claim 5 relates to no charge to the user. Neither Pricewatch nor Yahoo are shown to impose such standards of professional management and no charge to the user in a business model imposed on their referees. Lee does not correct the deficiency. (In reference Lee, no charge to a user appears nonapplicable as a design goal for stock trading websites. Stock trading websites traditionally do not charge users for perusing a site, but charge users for purchasing the product.) Professional management might be an inherent design goal for stock trading websites. However, applicant’s discussion of the prior art shows that professional management is not a high design goal for lower-level directories. Further, lower-level directories are not analogous to stock trading websites in the field of ecommerce, as discussed above. They occupy distinct domains.

Dependant claims 2, 4, 16 and 17 relate to the service mark. Claims 2, 4, 16 and 17 relate to the mark as a common URL portion and more particularly a TLD. The URL in the “buy online URL” of Pricewatch does not function as a service mark indicating a unique source of a service, and the “buy online URL” is not a TLD.

Dependant claims 15, 19 and 43 relate to the System. Dependant claim 15 recites the upper-level directory contracting with a significant number of lower-level directories to secure a comprehensive listing with respect to at least one upper-level category. Dependant claim 15 is significant in that the comprehensiveness in the referencing, at least with respect to certain categories, can be decisive in attracting the high level of traffic that makes the instant internet directory system work for its intended purpose. Claim 19 recites that the lower-level directories comprehensively reference the websites without charge. Such can be an important feature of a successful internet directory system in order to attract the high level of traffic necessary for the system to generate profit for lower-level directories as well as an upper-level directory provider. Dependant claim 43 recites a contractual relationship between

the directory provider and the lower-level directories or CDWs, as well as the CDWs remitting value to the upper-level directory. Yahoo does not disclose any such contractual relationship with any independent lower-level directory that it references.


In light of the amended clarified claims and above remarks, applicant submits that key elements in the claims have not been located in the references and that motivation to combine elements to reach applicant's system and method has not been supplied, other than by hindsight. The motivation and vision has not been shown to lie within common knowledge. Reconsideration and further examination is respectfully requested.

Applicants have made a diligent effort to place the claims in condition for allowance. However, should there remain unresolved issues that require adverse action, it is respectfully requested that the Examiner telephone Sue Z. Shaper, Applicants' Attorney at 713 550 5710 so that such issues may be resolved as expeditiously as possible.

For these reasons, and in view of the above amendments, this application is now considered to be in condition for allowance and such action is earnestly solicited.

Respectfully Submitted,

7/14/9  
Date

  
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